the City of Avon Park, and enjoining the institution of any actions hereafter against said city upon any of the securities involved in the plan of composition described in these proceedings until further order of this Court, and it appearing to the Court that due notice of the setting down of said petition for hearing on this date has been given, and the Court having read said petition, and after argument of counsel, and being advised in the premises:

It is Thereupon Ordered, Adjudged and Decreed that any further proceedings against the City of Avon Park, Florida, debtor, in the following listed and described suits, be and the same are hereby stayed pending the further order of this Court:

In the District Court of the United States, in and for the Southern District of Florida, Tampa Division, the following suits:

Lawrence W. Rittenoure vs. City of Avon Park, No. 3371-T-Civil, Final Judgment for $63,352.00 and Costs of $12.22, awarded ....., 1936, and alternative writ of mandamus issued thereon June 19, 1936;

Security Benefit Association vs. City of Avon Park, No. 3350, Final Judgment for $13,294.40 awarded October 11, 1935, and peremptory writ of mandamus issued January 22, 1937. No return to said writ;

United Mutual Life Insurance Company vs. City of Avon Park, No. 3349-T-Civil, Final Judgment for $13,942.50 awarded October 1, 1936, and peremptory writ of mandamus issued January 22, 1937, for millage sufficient to pay said judgment;

William E. Sweet vs. City of Avon Park, No. 3387-T-Civil, Final Judgment for $9,952.80 awarded December 16, 1935, and peremptory writ of mandamus issued January 22, 1937;

Roger W. Babson vs. City of Avon Park, No. 3137-T-Civil, Final Judgment for $6,114.82, plus $17.62 costs, awarded May 30, 1933, and peremptory writ of mandamus issued March 15, 1937;

Vermont Investment Company vs. City of Avon Park, No. 3451-T-Civil, Final Judgment for $34,606.40, plus costs of $17.58, awarded June 4, 1936, and writ of mandamus issued September 10, 1936;

Women's Benefit Association vs. City of Avon Park, No. 3351-T-Civil, Final Judgment for $29,090.00, plus $12.18 costs, awarded August 2, 1935, and writ of mandamus issued for the levy of 3½ mills on the 1935-1936 tax roll.

And in the Circuit Court of the Tenth Judicial Circuit of Highlands County, Florida, as follows:

Gulf Life Insurance Company vs. City of Avon Park, No. ....., Final Judgment for $2,847.67, plus $10.50 costs, awarded April 12, 1934;

Charles B. Prettyman, et al., as Trustees, vs. City of Avon Park, No. ....., Final Judgment for $9,778.66, plus costs of $10.75, awarded October 20, 1933, and writ of mandamus issued November 6, 1933, requiring a tax levy to pay said judgment;

First National Bank of Gainesville vs. City of Avon Park, No. ....., Final Judgment for $6,610.53, plus $12.25 costs, awarded November 10, 1932;

First National Bank of Gainesville vs. City of Avon Park, No. ....., Final Judgment for $5,421.24, plus $11.60 costs, awarded April 18, 1933.

43 It is Further Ordered, Adjudged and Decreed that the institution of any actions hereafter upon any of the securities involved in said plan of composition, of whatever nature, against said City of Avon Park, be enjoined until further order of this Court.

Done and Ordered in Chambers at Orlando, Florida, this 17th day of October, A. D. 1938.

ALEXANDER AKERMAN,
Judge of said Court.

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44 Stipulation extending time to answer petition was filed October 22, 1938. Copy thereof is omitted.

M. M. Smith, C. C. Smith and R. O. Smith filed Objections to the Plan of Composition on October 24, 1938. A copy thereof is omitted.

Motion to Dismiss Petition and Answer of Respondent Creditor, Lawrence W. Rittenoure, was filed October 16, 1938, copy of said motion being as follows, to-wit:

MOTION TO DISMISS PETITION AND ANSWER OF RESPONDENT CREDITOR, LAWRENCE W. RITTENOURE.

Filed 10/28/38, Winter Haven, Fla., Allen E. Walker.

45 (Title Omitted.)

The respondent, Lawrence W. Rittenoure, by his counsel undersigned, moves the Court to dismiss the petition of

the City of Avon Park, Florida, praying for composition of debts under Sections 81, 82, 83 and 84 of Chapter 9 of the Acts of Congress relating to Bankruptcy, of Avon Park, Florida, a municipal corporation, so far as said petition is directed to this respondent, upon the following grounds:

1. That it affirmatively appears from the petition that this respondent has a final judgment dated more than four months prior to the filing of said petition and it is admitted that an alternative writ of mandamus has been issued upon said judgment.

2. That it affirmatively appears that this respondent by reason of said judgment and alternative writ has obtained a vested right which renders this respondent immune from the provisions of the said Bankruptcy Act.

3. That the contract for refunding, between the Fiscal Agent and the Petitioner, contemplates, as a general provision thereof, the destruction, without his consent, of this Respondent's rights as a judgment creditor.

46 4. That the petition is fatally defective in not clearly specifying the extent of the territory designated as the "taxing unit" referred to in paragraph (A) of Section 7 of the Petitioner's contract with the Fiscal Agent.

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47 ANSWER.

The respondent, Lawrence W. Rittenoure, without waiving his foregoing motion to dismiss the bankrupt's petition, for his answer to said petition says:

1. As to the allegations of the petitioner in paragraph 4, this respondent says that the tax records of the said

petitioner in bankruptcy are in such chaotic condition that he has not been able to obtain from the present city officials, or by any competent records in their office, bases for the facts set forth in said paragraph of said bankrupt's petition. In particular, respondent shows that, as to the "amounts collected" referred to in the said paragraph, it affirmatively appears that a gross sum in the amount of $206,696.79 as real estate foreclosed by petitioner is included among these sums for the several years 1926 to 1937, inclusive, but the petition does not state how this sum was apportioned among the said several years, nor is it stated how the sum was arrived at. Upon oral information received from the office of petitioner, this respondent alleges that the sum of $206,696.79 represents the gross amount of liens against the several properties foreclosed for delinquent taxes during the period of time from 1934 and subsequently, together with all expenses and costs in connection with said suits and that said sum has no necessary relation to the value of the assets thus obtained.

With further reference to the said allegations of said petition relative to "amounts collected" for the several years indicated therein, Respondent shows to the Court that the sole resources of the City are its taxing
48 power and a small sum derived from fines and forfeitures; that almost all of the amounts collected in taxes for the several years is necessarily used for the operating expenses of the City and that no statement is contained at any place in the said petition as to the amount of money necessary to said City for its operating expenses. Respondent alleges upon information received from Petitioner's fiscal officers that the operating expenses of said city were, for 1936, approximately $35,735.81, of which $882.95 was derived from fines and for the year 1937, the said expenses was $31,992.91, of which $714.50 came from fines.

Respondent further alleges that a large part of the respective aggregate "amounts collected" represents collections in bonds, not cash, and is therefore not available to creditors, as was represented by Petitioner in its petition of February 15th, 1937, hereinafter referred to.

2. With further reference to said paragraph 4, Respondent shows to the Court, with reference to the assessment roll, that the territory of the said petitioner liable to assessment for the payment of the said bonds is composed of three tracts of land, as shown by said petition. The original town created under Chapter 6662, consisted of 1440 acres, including all of Section 22, and adjacent territory in Sections 14, 15, 23, 26 and 27, T. 33 S. Range 28 East. This is the territory termed Zone "A" in the said petition. By Chapter 10320, the City of Avon Park was created and its territory extended to the extent of approximately thirty-six square miles, or 22,040 acres, comprising all of Township 33, Range 28 East, including lakes;
49 that by virtue of the said extension of territory the area of the bankrupt was thus increased by some 20,600 acres over the original area of 1440. Subsequently the limits were again changed by reducing the area to approximately 2620 acres, including lake areas. This area includes the original area together with certain lands adjacent thereto, and constitutes the present city territory. All lands in said township not included within the present area, comprising about 19,420 acres are the "outlying territory" hereinafter called "Territory C."

4. Respondent shows to the Court that the said outlying area thus constitutes a greater part of the area liable to the payment of part of the indebtedness sought to be refunded and that such area has for a great many years last past been involved in litigation, originating and now pending in the Florida Supreme Court, in connection with a quo warranto proceeding brought in said Court by certain

taxpayers in the said outlying and disputed territory; that no substantial defense to the same has been made by the petitioning bankrupt; that by decision of the Supreme Court of Florida, dated the 11th day of December, 1934, reported in 158 So. 159, text 164, Circuit Judge William J. Barker, of Sebring, Florida, was appointed Commissioner of the Supreme Court to take the testimony which might be involved in this case and report the same to the Supreme Court. This respondent alleges that although some testimony has been taken before Judge Barker, nothing else has been done since the said appointment to the present time, except that the petitioner has secured the written consent of two of the
50 relators in said suit of quo warranto for the dismissal of the same. Respondent alleges that this suit was filed in the Supreme Court many years ago and prior to November 10, 1932, at which time a demurrer to respondent's answer was sustained by the Supreme Court of Florida in its decision reported in 144 So. 306. From all of which facts this respondent alleges that the petitioner has not been in good faith in attempting to enforce collections of its taxes for debt service from the larger part of the area liable to the payment of the same.

5. Further answering said paragraph 4, respondent shows to the Court that prior to 1936, debt service collections were not separated from taxes levied for operating expenses, wherefore, it is not possible to determine from the books of said city what funds were properly applicable to the claims of creditors.

6. That for the year 1936 referred to in said paragraph, the total assessment roll was, as stated, $2,748,953.00, of which Territory "A" was assessed in the sum of $1,-168,917.00; Territory "B" $486,136.00 and Territory "C" $1,093,900.00; that a twenty mill levy was made for debt service on Territory "C", amounting to $21,978.00, of

which $1,529.80, or less than 7% was actually collected; that a thirty-four mill levy was made on Territory "A" for debt service, amounting to $39,743.18; that the assessed value of Territory "B" was $486,136.00, upon which a twenty mill levy was made, amounting to $9722.72. The total levies were therefore $71,443.90 for debt service, of which $4,390.00 was collected, which amounts to a collection of 6.1% of the total debt service levy.

51 7. That for the year 1937, Territory "C" was again assessed for $1,093,900.00, on which a levy was made of twelve mills, amounting to $13,126.80, of this amount $1420.73 was collected, making a debt service collection of 10.6% of the levy; that Territory "B" was assessed for $421,052.00, against which a twelve mill levy was made, amounting to $5,052.62 for debt service; that Territory "A" was assessed for $989,640.00, against which a twenty mill levy was made for debt service, amounting to $19,792.40. That the aggregate debt service levy for 1937 was, therefore, $37,971.82, of which $14,492.39 was collected, making a collection for debt service purposes of 38.3% of the levy.

8. Respondent states that the entire twelve mill debt service levy for the year 1937 for Territory "C" was made for the benefit of one W. J. Meredith, et al., who has heretofore secured a judgment against the City of Avon Park, in Highlands County, Circuit Court, and that said judgment is not listed in the petition of the petitioner. Respondent has been informed, believes and alleges that the said W. J. Meredith is an officer in R. E. Crummer & Co., who is the fiscal agent in the proposed refunding program. Respondent alleges that said Meredith is, in said suit, acting on behalf of said Crummer.

9. Answering paragraph 10 of said petition, respondent states that he has been informed and believes and there-

fore alleges that there are other judgments against said petitioner which are not listed in said petition, and that some, at least, of said judgments are owned and controlled by the said Fiscal Agent in the proposed composition.

52 10. Respondent alleges that the said Petitioner has not in the past acted in good faith in the matter of collection of debt service taxes; that it has encouraged tax delinquency. That the petition is not filed in good faith because based upon the results of continued neglect of its creditors' rights; because it shows on its face that the proposed composition is not within the financial taxing power of Petitioner; because of a preference for certain creditors for whom levies have been made to the exclusion of others; because it omits certain judgments and judgment creditors; because the proposed plan does not clearly indicate the territory liable to be taxed to pay the refunding bonds, and because the greater part of the area liable to taxation to pay said bonds is now involved in quo warranto litigation which has been pending for more than six years, with but disultory efforts of defense.

11. That this respondent is the owner and holder of a final judgment against the said petitioner, originally filed and entered on June 1, 1936, for the sum of $63,352.68, together with costs in the sum of $17.22, which judgment is recorded in Judgment Record 3 at page 293, in the United States District Court for the Southern District of Florida, in the case entitled Lawrence W. Rittenoure, Plaintiff vs. City of Avon Park, Defendant, case No. 3371 Tampa Civil; that this judgment was later amended, nunc pro tunc, to be in the principal sum of $72,084.40, instead of $63,352.68, as will appear by the order of the Court entered in Judgment Record 3, at page 533, entered January 6, 1938, Public Records aforesaid. A true copy of the said

Judgment, together with a copy of the order
53 amending the same are attached hereto marked Exhibits "A" and "B", respectively. The said judgment has never been vacated, annulled or appealed from. It is wholly unpaid, except that the sum of $1463.35 was paid on December 24, 1937, the sum of $478.04 was paid on February 28, 1938, and the sum of $300.00 was paid on April 26, 1938, which sums have been by respondent applied as credits upon interest accruing upon the said judgment.

12. That an order for peremptory writ was entered on July 18, 1936, and peremptory writ in pursuance of said order was duly issued, and was served on August 4, 1936. A copy of the said peremptory writ is hereto attached and marked Exhibit "C".

13. That the said petitioner, City of Avon Park, did not comply with the said peremptory writ and made no return thereto, nor did it pay over any funds in its possession, as ordered in the said writ, whereupon contempt proceedings were had before this Court, resulting in an order directed to said petitioner dated the 5th day of February, 1937, directing the said City of Avon Park to show cause on February 17, 1937, why it should not comply with the mandate of the said peremptory writ, or on default thereof why it should not stand committed for contempt; that in lieu of showing cause, as directed in said order, the said petitioner, on February 15, 1937, filed a petition to extend time for compliance with said peremptory writ and in said petition represented to the Court that the City of Avon Park had at that time approximately $412,916.00 past due in default upon bonds, interest and judgment; that the highest amount in current
54 taxes the city had been able to collect since the year 1931 had been $40,655.00 on the current tax

roll and approximately $23,335.00 on delinquent rolls, of which latter amount 75% represented collections in bonds and coupons; that the city had levied a millage of four hundred mills in order to comply with the several mandates issued out of this Court to take care of the city's remaining obligations and a copy of the said ordance, which is numbered 201, was attached to the said petition; that the said ordinance was complete with the exception of the signature of the mayor, which would be immediately affixed if the Court should decline to extend the time for compliance with the mandates theretofore issued. The Court has never extended time for compliance with the said writ, nor has the levy of the said four hundred mills been made; that on the contrary this matter came on to be heard before the Court on the 18th day of December, 1937, at which time the Court ordered the petitioner to make a return to the said order to show cause within ten days from the date thereof; that on the 27th day of December, 1937, said petitioner filed a socalled return in response to said order, by which it represented that in pursuance of an agreement between the respondent herein and the said City of Avon Park, a levy of 11 1/2 mills was made in lieu of and in compliance with the said peremptory writ and that under said levy there had been collected the sum of $1463.35, up to and including the 30th day of December, 1937. Said return further stated that an audit was being made to ascertain any further amount due to this respondent under the said levy, which audit should be completed during the first week in January, 1938, and that such sum found to be due would be remitted
55 to respondent; that although repeatedly requested, Respondent has never been able to learn anything further about the said audit.

14. That after the correction of the original judgment, which took place on January 6, 1938, respondent applied

for, received and caused to be served on February 21, 1938, an amended alternative writ; that petitioner and respondent, on the 28th day of February, 1938, entered into a stipulation extending time for making return to the amended alternative writ for a period of sixty days; that at the end of the said sixty days, on the 26th day of April, 1938, upon the representation of petitioner's counsel that some provision would be made for respondent in the next succeeding tax levy, a further stipulation was entered into providing that in consideration that the petitioner should make monthly remittances of whatever sums were collected for the payment of said judgment, and the respondent would refrain from serving upon respondent an alias peremptory writ until ten days before the time called for in petitioner's charter to make the next levy of taxes for said judgment; that in pursuance of said stipulation respondent, on May 19, 1938, obtained the order of this Court directing the issuance of an alias peremptory writ, but in reliance upon said stipulation did not apply for an alias peremptory writ upon the said judgment; that respondent's first knowledge of this bankruptcy suit was obtained by means of the notice of hearing for temporary stay order, whereupon said order for alias peremptory writ was filed October 7, 1938.

15. Respondent represents that said petitioner has made no levy, so far as he is advised, to provide for the payment of said judgment, except the said levy of
56 11½ mills referred to in the return of petitioner filed December 27, 1937.

16. Respondent says that the said judgment for $72,084.40, bearing interest from June 1, 1936, constitutes a vested right specifically excepted by the terms of the Bankruptcy Act, upon which this proceeding is based; that the said vested rights of this respondent are wholly un-

affected and can in no way be impaired, postponed or delayed by reason of these bankruptcy proceedings.

HARRY L. THOMPSON,
Of Counsel for Respondent.

PHILLIPS & THOMPSON,
Attorneys for Respondent,
Clearwater, Florida.

57 EXHIBIT "A".

In the United States District Court in and for the Southern District of Florida, Tampa Division.

Lawrence W. Rittenoure, Plaintiff,
vs. No. 3371-Tampa Civil.
City of Avon Park, Florida, a municipal corporation, Defendant.

Final Judgment.

Filed: Tampa, Florida, June 1, 1936,

Now on this 1st day of June, 1936, the foregoing cause came on for hearing upon the motion of the plaintiff for final judgment in said cause, and the Court having examined the record and heard the motion aforesaid, and it appearing to the Court that summons ad respondendum was duly served upon the defendant, City of Avon Park; that the plaintiff duly filed his declaration and that judgment by default was duly and regularly entered by the Court for failure of the defendant to plead or demur to the declaration of the plaintiff as aforesaid, it is, therefore,

Considered And Ordered that the default judgment heretofore entered by this Court be and the same is hereby ratified and confirmed.

It Is Further Considered And Ordered that the plaintiff ought to have and recover from the defendant his damages sustained herein by reason of the premises, and the plaintiff having moved the Court for final judgment in said cause, as aforesaid, and having produced and filed in evidence all of the bonds, coupons and notes declared in his declaration, and it appearing therefrom that there is now due and owing to the plaintiff on the bonds, coupons and notes the principal sum of $56,680.00 evidenced by
58 said bonds, coupons and notes, together with the sum of $6672.68 interest thereon, and the Court being fully advised in the premises, it is thereupon

Considered And Ordered that the plaintiff, Lawrence W. Rittenoure, do have and recover of and from the said defendant, the City of Avon Park, a municipal corporation under the laws of the State of Florida, the sum of $56,-680.00 as principal and the sum of $6672.68 as interest, making a total sum of $63,352.68 together with his reasonable costs in this behalf expended, which are taxed by the Clerk of this Court in the sum of $17.22, for all of which let execution issue.

Done And Ordered at Tampa, Florida, this 1st day of June, A. D. 1936.

(Signed) ALEXANDER AKERMAN,
District Judge.

59 EXHIBIT "B".

In the United States District Court in and for the Southern District of Florida, Tampa Division.

Lawrence W. Rittenoure, Plaintiff,
vs. No. 3371-T. Civ.
City of Avon Park, Defendant.

Order Amending Final Judgment.

Filed: Tampa, Florida, January 6, 1938.

This matter came on to be heard before me this 5th day of January, 1938, after due notice to the defendant herein, upon the petition of the plaintiff for amendment of the final judgment herein, there being present counsel for the plaintiff and the defendant, respectively, and it appearing to the Court from the records herein that there is an error in the sum of money for which the final judgment was rendered in this case and that such error was due to a clerical mistake, and it further appearing to the Court that all of the bonds and coupons declared upon in the plaintiff's declaration were at the time of the original judgment filed as evidence in the Clerk's office and that the amount of said judgment to which the plaintiff is entitled is a mere matter of computation, and the Court being fully advised in the premises,

It Is Hereby Considered And Ordered that the said final judgment of June 1, 1936 be and the same is hereby amended nunc pro tunc, in this that said judgment be in the principal sum of $72,084.40 instead of the amount of $63,352.68. In all other respects said judgment is ratified and confirmed.

Done And Ordered at Chambers at Tampa, Florida, this 5th day of January, A. D. 1938.

(Signed) ALEXANDER AKERMAN,
District Judge.

60 EXHIBIT "C".

In the United States District Court, Southern District of Florida, Tampa Division.

United States of America, Ex Rel Lawrence W. Rittenoure, Relator,

vs. No. 3371-Tampa Civil.

City of Avon Park, a municipal corporation et al., Respondents.

Peremptory Writ of Mandamus.

It having been made to appear to this Court that the Relator is entitled to a peremptory writ of mandamus on the pleadings in this cause and the Court having, by its judgment dated on the 18th day of July, 1936, directed the issuance of said peremptory writ of mandamus;

Now, Therefore, you are hereby commanded and strictly enjoined that you do

(a) Forthwith pay over to relator all funds, which are lawfully applicable, in the possession or under the control of the said City of Avon Park, or a sufficient amount thereof to satisfy the aforesaid judgment, interest thereon and costs and particularly to pay over to Relator all sums found to be in the sinking fund of said City of Avon Park, up to the amount of Relator's judgment aforesaid and to perform all necessary official duties pertaining thereto.

(b) Forthwith to assess and levy a tax sufficient to pay said judgment and interest thereon and costs of this action and to diligently collect the same and take all lawful steps for the enforcement thereof at the earliest date permitted by law, and to remit monthly the sums so collected
61 to the Clerk of this Court for payment to said Relator, until said judgment and the interest thereon and costs of this action are fully paid and satisfied and to make return at each Rule Day as to your activities hereunder until this writ shall be fully obeyed.

(c) That if said payments aforesaid shall not have amounted to a sufficient sum to satisfy the judgment aforesaid, with interest thereon and the costs of this action at the time the respondents aforesaid are required to make up the budget of the City of Avon Park for the next ensuing year, that thereupon you are required to levy a tax sufficient to pay any balance of said judgment and the interest thereon and the costs of this action, making due allowance for such taxes as are probably not collectible within a reasonable time, and to diligently collect the same and take all lawful steps for the enforcement thereof at the earliest time permitted by law, and that you thereupon are required to remit monthly the sums so collected to the Clerk of this Court for payment to said Relator, until said judgment and interest thereon and costs of this suit are fully paid and satisfied.

Witness the Honorable Charles Evans Hughes, Chief Justice of the United States District Court, Hon. John W. Holland, a Judge of the District Court of the United States, for the Southern District of Florida, and the seal of said Court, the 18th day of July, 1936.

By order of Court.

EDWIN R. WILLIAMS,
Clerk of the U. S. District Court.
By J. A. LAW.

62 Answer to the petition of the City of Avon Park, of William E. Sweet and American United Life Insurance Company was filed October 26, 1938, said answer being as follows:

63 ANSWER.

Filed Oct. 26, 1938, Tampa, Fla.

Filed Winter Haven, Fla., Oct. 28, 1938, Allen E. Walker.

(Title Omitted.)

Comes now William E. Sweet, a citizen of Denver, Colorado, and American United Life Insurance Company, a corporation organized and existing under the laws of Indiana, and for answer to the petition herein filed by said City say that they are without knowledge as to matters and things set forth and alleged in said petition, except as to the terms of the proposed composition, copies of which have been furnished to the undersigned creditors, and for a defense and objection to the composition or refunding and to granting the prayer of the petition, defendants say:

I.

That the so-called Refunding Plan submitted to your petitioners is not a composition in bankruptcy and is unfair, inequitable and discriminates unfairly in favor of some creditors or class of creditors and against others, in that

64 (a) One of the conditions of the plan is that all creditors, both judgment holders and bondholders, are required to deliver to R. E. Crummer & Company, so-called fiscal agents of the city, all past

due interest on outstanding bonds and judgments entered upon bonds and coupons and accept in payment thereof from said R. E. Crummer & Company interest upon said bonds from the date of default at the rate of 2% per annum, and are compelled to deliver said coupons to said R. E. Crummer & Company, who, under the plan, will sell said coupons or refunding bonds issued to it in lieu of said coupons, to taxpayers of the City of Avon Park for use by said taxpayers at par in payment of delinquent taxes for the year 1936 and prior years, and in payment of special assessment liens for a period of 24 months from the date of exchange. Said Crummer & Company then will sell the coupons or refunding bonds as above alleged for not exceeding 50% of par for the first six months, 60% for the next six months, 70% for the next six months, and 75% for the next six months. These creditors say that a plan of composition cannot involve a provision which compels these creditors and other creditors to sell their claims to third parties at a discount to enable third parties to realize a profit thereon, particularly where the third party is the agent of the bankrupt.

(b) The said R. E. Crummer & Company, according to the information furnished to the undersigned creditors, is alleged to be the fiscal agent of said city, employed by it for the purpose of procuring composition of its outstanding municipal indebtedness. But, the
65 said city, instead of paying said R. E. Crummer & Company for said services, propose in its petition and plan of composition to compel these creditors and other bondholders to pay said agents $20.00 per bond and to deliver to said agents coupons as above set forth, at 33-1/3% of the face value so as to enable said fiscal agent to speculate upon them, the profit to accrue as a result of the resale of said coupons to the taxpayers.

(c) The plan proposed in the petition is not a composition in that it does not propose to settle the indebtedness represented by coupons upon the same basis as the indebtedness represented by bonds, although both bonds and coupons are parts of the same instrument. Though evidenced by separate documents, they are obligations of the same class and must receive the same terms. The petition seeks to discriminate against the holders of coupons by requiring them to accept 33-1/3% of their face value, at the same time agreeing to deliver to bondholders new obligations of the city equaling the face of the old.

(d) The plan does not specify the zones or portions of the city as now constituted or as formerly constituted, which will be liable for taxes for the payment of the respective issues of bonds. According to circular letter of the city dated October 12, 1938, the bonds cannot be issued until after the Court has determined these questions, and petition does not show that the city can deposit the refunding bonds in Court as required by law, nor can these creditors determine whether to accept said refunding bonds until the questions of law involved have been definitely settled and their legal rights determined.

66 (e) The plan is conditioned upon the fact that bonds and coupons upon which judgments have been obtained shall be refunded upon the same basis as if such judgments had not been obtained, without regard to whether or not writs of mandamus have been issued against the said city that have become peremptory.

(f) That the plan proposes to cancel the liability of the city to the holders of judgments for interest included in said judgments upon past due coupons, for interest upon the judgments, thereby in effect proposing to set

aside judgments which have been obtained at great expense to the creditors without compensating them for such expense, and at the same time requiring them to surrender or cancel the rights required thereunder.

(g) For the reason that the City of Avon Park, with the apparent co-operation and approval of its fiscal agent, does not come into this Court with clean hands. It has ignored for years the commands of the writs of mandamus issued against it on behalf of these creditors and others, and has consistently sought to encourage its taxpayers to refuse to pay taxes in order to enable it to compel its creditors to accept a settlement of its debts at a smaller price.

II.

Further answering said petition and for partial defense thereto, these creditors say:

(a) That they are the owners and holders of certain judgments obtained in this Court against the City of Avon Park herein described as follows:

Wm. E. Sweet—Final Judgment dated December 16, 1935.	$ 9,952.80
American United Life Insurance Company—Judgment for dated October 1, 1935.	13,942.50

67 and these creditors, subsequent to the procurement of said judgments, applied for and obtained from this Court alternative writs of mandamus and subsequent peremptory writs of mandamus requiring the City of Avon Park to levy taxes upon all the property located within said city as of the date of the bonds upon which the judgments were obtained, to pay said judg-

ments. The peremptory writs were issued on January 22, 1937, in both cases and the time for appeal from said peremptory writs has long since expired. These creditors therefore allege that they are the owners and holders of rights under said judgments and said writs of mandamus which have long since become vested and which accrued by reason of the facts above stated. They cannot be deprived of these rights under the statute of Congress by this proceeding and these creditors further say that any attempt on the part of this Court to deprive these creditors of their rights so vested under their judgments and writs would be to deprive them of their property in violation of the Fifth Amendment to the Constitution of the United States.

(b) These creditors further say that the refunding plan proposed is not a plan of composition and if so, it is unfair and inequitable and discriminates unfairly against these creditors for the reason that W. J. Meredith, and others, obtained a peremptory writ of mandamus against the city and these creditors say that said judgment is owned or was obtained on behalf
68 of the Refunding Agent and the relators have no real interest in the same. Recently the city applied for an order to restrain these creditors and others from enforcing the same but did not seek to restrain the judgment and writ held by the Refunding Agent. These creditors say that it is unfair, inequitable and discriminatory for the fiscal agent of this town to own, to hold or to deal in for profit the obligations of the City of Avon Park, whether represented by judgment or by bonds and coupons, without full disclosure of all facts in connection therewith, including the prices paid for the same and the method of settlement of the same, and the profits which would accrue by reason thereof, especially as said fiscal agent is attempting to deal for

both parties and under the refunding plan is requiring the creditors to pay its compensation of $20.00 per bond.

(c) It is apparent from the entire plan that the fiscal agent is engaged in this work as an independent contractor and not as agent of the City of Avon Park. It is represented both bondholders and the city and at the same time it has since contracted with the city engaged in buying obligations of the city for its own profit, and said petition does not make full disclosure of all facts and circumstances. It is unfair and inequitable to permit the so-called fiscal agent of the city to profit by such transactions while agent of the city or to fix the terms for settlement of the bonds and judgments owned by these creditors where at the same time it conceals from these creditors the terms of settlement with itself.

69 III.

The said plan is unfair and inequitable as against the undersigned creditors both as to their judgments and bonds for the reason that the said fiscal agent while owner of a certain judgment against said city, the amount of which is unknown to these creditors, upon which a peremptory writ of mandamus was issued, by writ of mandamus against the City of Avon Park induced the city to levy a tax for the payment of said judgment which constituted a gross discrimination against these creditors as holders of judgment against said city. These creditors are informed and believe that said fiscal agent has already been paid on account of said judgment an amount which is unknown out of the proceeds of such levy. There is further discrimination provided in the plan which will permit the compromise of taxes levied for taxes levied in 1936 and previous years but requiring payment of the 1937 taxes in legal tender, notwithstanding the fact that the City of Avon Park has consistently

and persistently refused to levy the taxes commanded by the peremptory writs of mandamus issued by this Court in favor of these creditors.

GILES J. PATTERSON,
Attorney for William E. Sweet
and American United Life
Insurance Company.

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70 On October 31, 1938, the Master filed his report of claims. Copy thereof is omitted.

On October 31, 1938, the City filed a motion to extend the power of the Master. Copy of said motion is omitted.

On October 31, 1938, the Court entered its Order filed same date extending powers of Master. Copy of order is omitted.

On Nov. 17, 1938, Roger W. Babson filed a motion to amend his petition to vacate the stay order. Copy thereof is omitted.

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71 On November 21, 1938, Amended Answer of William E. Sweet and American United Life Insurance Company was filed; copy of said answer being as follows:

72 AMENDED ANSWER.

(Title Omitted.)

Filed Winter Haven, Fla., Nov. 22, 1938, Allen E. Walker.

Comes now William E. Sweet and the American United Life Insurance Company, a corporation, and by leave of the Court first had and obtained, amend their answer in the entitled cause as follows:

I.

By adding to paragraph I of the original answer the following paragraphs:

(h) That by Section 3 of said plan, the Refunding Bonds are to be dated July 1, 1937, bearing interest from the date thereof, but the debtor has failed to set forth in its petition that it has funds available for the payment of interest accrued on said refunding bonds if
73 they were issued, and said petition fails to allege that the petitioner has made any provision for a sinking fund for the payment of interest, or that it has collected any funds for the payment of the same.

(i) The plan of refunding as set forth in said petition makes no provision for the payment of $25,000.00 in outstanding notes of said debtor bearing interest at 8% and dated December 1, 1927, which said notes matured December 1, 1929. These notes constitute the debt upon which the judgment of Lawrence W. Rittenoure is based, and these creditors allege that the plan of composition is not fair, equitable or reasonable in that it attempts to force your creditors to accept refunding bonds at a reduced rate for as much of their judgments as is based upon bonds, and to sell their coupons to the Fiscal Agent

at one-third of the face value thereof without at the same time requiring judgments based upon notes of the issue of December 1, 1927, to accept refunding bonds or surrender interest at one-third of the face value thereof.

(j) The city has not listed, contrary to what is averred in its petition, all its known creditors involved in suits against it, and it has omitted certain judgment creditors, and by reason of said omission petitioner has secured a stay order or an injunction against only those creditors specifically named, but not against those which have not been named who are thus favored. These creditors further show that one W. J. Meredith, in Suit #4100 in the Circuit Court of Highlands County, Florida,
74 brought his petition for mandamus on $6,000.00 par value of bonds and $34,800.00 par value of coupons and secured peremptory writ requiring the petitioner to revise the budget for the fiscal years 1937 and 1938 to include provision for payment of said bonds and coupons and that it was in pursuance of this mandate that the 12½ mill levy was made. These creditors allege that the Fiscal Agent herein is the real party in interest in said suit and that, as stated, no stay order or injunction was obtained against the prosecution of said suit or the execution of the mandate therein contained. These creditors further allege that the following judgments listed on the 11th page of said petition have been assigned; that the judgment in favor of Gulf Life Insurance Company awarded October 20, 1933, has been assigned to R. E. Crummer & Company; that the judgment in favor of Prettyman as Trustee for Southern Title and Trust Company has been assigned to Brown-Crummer Investment Company; that both of the judgments in favor of the First National Bank of Gainesville have been assigned to the Brown-Crummer Investment Company; that there is a judgment in favor of Selig Company and another in favor of Eureka Fire Hose Manufacturing

Company, neither of which is listed in said petition. These creditors further state that the judgment mentioned in said petition in favor of the Women's Benefit Association, No. 3351 T. Civil, for $22,090.00, has been assigned to Brown-Crummer Investment Company. These creditors are without knowledge of the present ownership of the remaining judgments referred to in said petition.

GILES J. PATTERSON,
Attorney for William E. Sweet and American United Life Insurance Company.

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75 On November 21, 1938, William E. Sweet and American United Life Insurance Company filed a motion to amend their answer. Copy thereof is omitted.

On Nov. 21, 1938, Lawrence W. Rittenoure filed a motion to amend his answer. Copy thereof is omitted.

On November 21, 1938, Amendment to Answer of Respondent Creditor, Lawrence W. Rittenoure, was filed, copy of said amendment to Answer being as follows:

76 AMENDMENT TO ANSWER OF RESPONDENT CREDITOR, LAWRENCE W. RITTENOURE.

(Title Omitted.)

The respondent, Lawrence W. Rittenoure, by his counsel undersigned, and with leave of Court, without waiving

his motion to dismiss, amends his answer to the petition of Avon Park, Florida, by adding paragraphs to said answer immediately following paragraph 10, as follows:

"10A. That the so-called refunding plan submitted by said petitioner is not a composition in bankruptcy and is unfair, inequitable and discriminates unfairly in favor of some creditors and in favor of certain classes of creditors and against others, in that

(a) Section 10, paragraph (A) provides that R. E. Crummer & Company, so-called fiscal agent of the city, is granted "exclusive authority to act for and on behalf of second party (Avon Park) in all matters connected with or relating to the exchange of the presently outstanding securities for refunding bonds"; and by paragraph (C), read in connection with Section 4
77 and other portions of said contract, both judgment holders and bondholders are required to deliver to R. E. Crummer & Company, all past due interest on outstanding bonds and judgments entered upon bonds and coupons and accept in payment thereof from said R. E. Crummer & Company, the interest upon said bonds from the date of default at the rate of 2% per annum, and are compelled to deliver said coupons to said R. E. Crummer & Company who, under the plan, will sell said coupons or refunding bonds issued to it in lieu of said coupons, to taxpayers of the City of Avon Park for use by said taxpayers, at par in payment of delinquent taxes for the year 1936 and prior years, and in payment of special assessment liens; and that this special privilege is conferred for a period of twenty-four months *from the date of the said contract.* The said contract is dated the 17th day of July, 1937. Said R. E. Crummer & Company then will sell the coupons or refunding bonds as above alleged for not exceeding 50% of

par for the first six months, 60% for the next six months, 70% for the next succeeding six months and 75% for the next succeeding six months.

In a certain printed communication bearing date the 23rd day of April, 1938, entitled "Refunding Plan of the City of Avon Park", ostensibly published by the City of Avon Park, Florida, in Section 9 thereof, it is stated:

"Section 9. Provision is made that all taxes levied by the City for the year 1937, and subsequently, will be payable in legal tender only, but the City of
78 Avon Park and R. E. Crummer & Company have agreed to co-operate in developing a reasonable course of procedure for the adjustment and collection of the reasonable maximum equity of delinquent taxes for the years 1936 and prior, and special assessment liens, it being specifically agreed that for a period of twenty-four months after date of the first exchange of the said refunding bonds a par value of refunding bonds equivalent to the par value of refunding bonds issued for the purpose of refunding accrued interest, will be kept available by R. E. Crummer & Company and held subject to the order of the City of Avon Park for use in paying taxes assessed by the City of Avon Park for the year 1936 or prior, or for the purpose of discharging any special assessment liens, and interest thereon, now outstanding and unpaid, said bonds to be delivered by R. E. Crummer & Company upon the order of the City of Avon Park at not exceeding 50% of the face amount thereof for the first six months; at not exceeding 60% for the next succeeding six months; at not exceeding 70% for the next succeeding six months; and at not exceeding 75% for the next succeeding six months."

This respondent avers that creditors are now being solicited to sign their consent to the refunding agreement

upon the representations contained in the said "Refunding Plan", which varies substantially, as shown, and in other respects from the allegations of the petition presented to this Court, containing as it does a purported
79 copy of the original contract between the so-called fiscal agents and the city. Whether the proposed refunding plan be as represented in the said communication of April 23, 1938, or as in the contract according to exhibit attached to the petitioner's petition, the respondent says that a plan of composition such as is proposed, cannot equitably, involve a provision which compels him, with other creditors, to sell claims to third parties at a discount, to enable third parties, such as the so-called fiscal agent herein, to realize a very substantial profit thereon, particularly where the third party is the agent of the bankrupt and substantial creditor, as shown in the petition; that this provision of the Plan enables the so-called Fiscal Agent to purchase the coupons at 33-1/3% of par, thus costing the Fiscal Agent about $120,200.00 for the $360,590.00 of past due interest; that said Fiscal Agent is empowered to sell said coupons to delinquent taxpayers at an average price of 63-3/4%, thus empowering the said Fiscal Agent to make a profit of approximately $110,000.00 at the expense of the taxpayers; that a low price to taxpayers would encourage tax redemptions, thus clearing lands of delinquent taxes and restoring them to the tax roll, to the benefit of both taxpayers and creditors in general; that the arbitrary power to the fiscal agent given by this plan to fix prices, will result in fewer redemptions by reason of the higher price and result in a detriment to all creditors except the Fiscal Agent; further, that the said Fiscal Agent will reap the benefit of the interest accruing on these bonds while held by it, pending their purchase by delinquent taxpayers.

80 (b) The said R. E. Crummer & Company, by Section 10, paragraph (A) of said contract aforesaid, is made the fiscal agent of said city and by said contract has been employed by the city to endeavor to accomplish a refunding and effect a composition of its outstanding municipal indebtedness. That by the said contract, in Section 9 thereof, it is expressly provided that the said fiscal agent shall be reimbursed and compensated for expenses incurred and services rendered, by assessing charges against security holders who accept refunding bonds under the terms of the contract made between said fiscal agent and this petitioner city. That by the said prospectus of the 23rd day of April, 1938, notice is given that a charge has been set at $20.00 per thousand dollar bond tendered for exchange and the payment of said sum respondent avers, together with consent to all of the other conditions and provisions of the said contract, is a condition to participation by creditors in the proposed composition. That, by said contract, this charge is one wholly within the power of the so-called fiscal agent to fix; that by means thereof the said agent may vary said charge among the several creditors according to its own whims without the direction or control of this Court; that the said plan does not contemplate the order of this Court setting this arbitrary fee but leaves it wholly a private matter between the individual creditors, severally, and the said agent, wherefore this respondent says that the Plan is not a fair and equitable proposition for composition because allowing special preferences to favored creditors and discriminations against those not favored.

81 (c) The plan proposed in the petition is not a composition, in that it does not propose to settle the indebtedness represented by coupons upon the same basis as the indebtedness represented by bonds, although both bonds and coupons are parts of the same instrument.

Though evidenced by separate documents they are obligations of the same class and should receive the same terms. The petition seeks to discriminate against the holders of coupons by requiring them to accept one-third of their value, while at the same time agreeing to deliver to bondholders obligations of the City equal to the face value of the old bonds.

(d) The plan does not specify the zones or portions of the city as now constituted or formerly constituted, which will be liable for taxes for the payment of the respective issues of refunding bonds. According to circular letter of the city, dated October 12, 1938, the bonds cannot be issued until the Court has determined these questions, and until the Supreme Court of Florida has finally determined the matters now being litigated in the quo warranto suit heretofore referred to in paragraph 4 of this respondent's original answer. The petition does not show that the city can deposit the refunding bonds as required by law, nor can creditors determine whether they should accept said refunding bonds until questions of law regarding the description and extent of property
82 available for taxing purposes has been definitely settled and all legal rights pertaining thereto finally determined.

(e) The plan is conditioned upon the fact that bonds and coupons upon which judgments have been obtained shall be refunded upon the same basis as if such judgments had not been obtained, without regard to whether or not writs of mandamus have been issued against said city which have become peremptory.

(f) The plan proposes to cancel the city's liability for interest upon the judgments rendered for interest upon past due coupons, thereby in effect proposing to set aside, without compensation, judgments which have

been obtained at great expense, and at the same time requiring judgment creditors to surrender or cancel the rights acquired thereunder.

(g) The City of Avon Park, with the apparent co-operation and approval of its fiscal agent, does not come into this Court with clean hands, in that for years it has ignored the commands of the writs of mandamus issued against it and on behalf of respondent and other creditors, and has consistently sought to encourage the taxpayers to refuse to pay taxes in order to enable it to compel its creditors to accept a settlement of its debts at a smaller price.

(h) That by Section 3 of said Plan the refunding bonds are to be dated July 1st, 1937; that they bear interest from the date thereof, and that said petitioner is therefore now in default on said new bonds; that petitioner has made no provision for sinking fund to pay said interest, nor has it collected any funds for
83 the payment of said interest.

(i) That the said Plan makes no provision for the payment of the $25,000.00 8% notes dated December 1, 1927 and due December 1st, 1929, which constitutes the debt upon which a large portion of this Respondent's judgment is based, for which reason, respondent alleges this proposed composition is not equitable, fair or reasonable.

(j) That said Plan, by Section 8 thereof, contemplates that the Fiscal Agent, not Petitioner, shall be the employer and paymaster of the City's attorney in this matter; that in this matter the City Attorney's interest will, to some extent, be colored by his paymaster's interest, and not that of the Petitioner and its taxpayers; that the best interests of the City will not, therefore, be

independently represented by counsel in this case, with the result that the special interests of the Fiscal Agent, rather than that of creditors and taxpayers will be represented. And this Respondent asserts that for this reason the proposed Plan is not fair and equitable.

(k) The City has not listed, contrary to what is averred in its petition, all of its known creditors involved in suits against it and it has omitted certain judgment creditors and by reason of said omission petitioner has secured a stay order or injunction against those creditors specifically named, but not against those which have not been named who are thus favored.

Respondent amends paragraph 8 and 9 of his original answer to show that the said W. J. Meredith, in Chancery suit No. 4100 in the Circuit Court of Highlands County, Florida, brought his petition for mandamus on
84 $6,000.00 par value of bonds and $34,800.00 par value of coupons and secured peremptory writ requiring the petitioner to revise the budget for the fiscal years 1937 and 1938 to include provision for payment of said bonds and coupons and that it was in pursuance of this mandate that the 12½ mill levy was made. Respondent alleges that the Fiscal Agent herein is the real party in interest in said suit and that, as stated, no stay order or injunction was obtained against the prosecution of said suit or the execution of the mandate therein contained. Respondent further alleges that the following judgments listed on the 11th page of said petition have been assigned; that the judgment in favor of Gulf Life Insurance Company awarded October 20, 1933, has been assigned to R. E. Crummer & Company; that the judgment in favor of Prettyman as Trustee for Southern Title and Trust Company has been assigned to Brown-Crummer Investment Company; that both of the judgments in favor of the First National Bank of Gainesville have

been assigned to the Brown-Crummer Investment Company; tha. there is a judgment in favor of Selig Company and another in favor of Eureka Fire Hose Manufacturing Company, neither of which is listed in said petition. Respondent further states that the judgment mentioned in said petition in favor of the Women's Benefit Association, No. 3351 T. Civil, for $29,090.00, has been assigned to Brown-Crummer Investment Company. Respondent is without knowledge of the present ownership of the remaining judgments referred to in said petition.

85 10B. For amendment to paragraph numbered 6 of this respondent's original answer, respondent attaches hereto, marked Exhibit ...., and makes a part hereof, a sketch which respondent represents will show the various tracts of land referred to as Tracts A, B and C, respectively.

EDGAR JOHN PHILLIPS,
HARVEY L. THOMPSON,
Attorneys for Lawrence W. Rittenoure.

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86 On November 21, 1938, the Court entered an order granting leave to William E. Sweet and American United Life Insurance Company to file amended answer; copy thereof is omitted.

On Nov. 21, 1938, the Court entered an order granting leave to Lawrence W. Rittenoure to file amended answer. Copy thereof is omitted.

On Nov. 28, 1938, the City of Avon Park filed a petition to include other proceedings in the stay order. Copy thereof is omitted.

On Nov. 30, 1938, the City of Avon Park filed a motion for extension of time. Copy thereof is omitted.

On Nov. 28, 1938, the Court entered its order granting the petition of the City of Avon Park. Copy thereof is omitted.

On Nov. 30, 1938, the Court entered its order granting the motion of the City of Avon Park. Copy thereof is omitted.

On Jan. 3, 1939, the Master filed a supplemental report. Copy thereof is omitted.

On Dec. 29, 1938, the Court entered an order extending time for creditors to file claims. Copy thereof is omitted.

On Feb. 3, 1939, the City of Avon Park filed Motion for Extension of Time. Copy thereof is omitted.

On Feb. 3, 1939, the Court entered an order extending time within which the city could file a modified plan. Copy thereof is omitted.

On March 3, 1939, affidavit of mailing of notices was filed before Master. Copy thereof is omitted.

On March 18, 1939, William E. Sweet and American United Life Insurance Company filed a motion. Copy thereof is omitted.

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87 On February 28, 1939, Petition submitting modifications in Plan of Composition was filed, together with exhibits; a copy of petition and exhibits being as follows:

PETITION SUBMITTING MODIFICATIONS IN PLAN OF COMPOSITION.

D. Filed Feb. 28, 1939, Tampa, Fla.

Filed Winter Haven, Fla., Mar. 22, 1939.

88 (Title Omitted.)

Comes now City of Avon Park, Florida, Petitioner herein, by its undersigned attorneys, and respectfully submits to the above entitled Court certain changes and modifications in the refunding plan heretofore submitted in these

proceedings, dated April 23rd, 1938, and attached to the original petition herein as Exhibit "A", which changes and modifications are embraced within and adopted by the resolution of the City Council of the City of Avon Park, certified copy of which is hereto attached, marked Exhibit 1, and incorporated herein by reference.

That said Exhibit 1 is a certified copy of the resolution of the governing authority of the City of Avon Park, Florida, and constitutes the acceptance in writing of the changes and modifications in said plan of refunding.

Wherefore, Petitioner respectfully petitions the above entitled Court for its order permitting the filing of said changes and modifications adjudging that the plan
89 of refunding or composition now involved in these proceedings is the plan of April 23rd, 1938, as so changed or modified; and adjudging that in the opinion of the Court the said changes and modifications are not materially adverse to the interest of any creditor affected by said plan, and that therefore, no notice is necessary.

Respectfully submitted this 28th day of February, A. D. 1939.

HENRY L. JOLLEY,
T. A. McNICHOLAS,
Attorneys for Petitioner.

EXHIBIT 1.

90 Resolution.

Mr. A. McKee Elwell introduced the following resolution and moved its adoption, to-wit:

Whereas, under date of April 23rd, 1938, a refunding plan for the City of Avon Park, Florida was promulgated and made the basis for the institution of proceedings

under Chapter IX of the Bankruptcy Act of the United States, as amended, commonly known as the "Municipal Debt Readjustment Act"; and

Whereas, such proceedings were heretofore authorized by the City of Avon Park, and instituted in the District Court of the United States for the Southern District of Florida, being styled "In the Matter of City of Avon Park, Florida, Debtor, Tampa Division, No. 3088-T-Bankruptcy"; and

Whereas, pursuant to order entered upon the filing of the petition in said proceedings, and under date of August 15th, 1938, notice was duly and regularly given to creditors in accordance with said order of August 15th, 1938, and certain objections have been filed in said cause to the original plan of refunding; and

Whereas, City of Avon Park, as Petitioner in said proceedings, desires to make certain changes or modifications in the said plan of refunding, or plan of composition, in order to obviate many of said objections;

Now Therefore, Be It Resolved, that the plan of refunding of the City of Avon Park, dated April 23rd, 1938, be and the same is hereby changed and modified in accord with the changes and modifications contained in Exhibit "A" attached to this resolution, styled "Plan of Composition of the City of Avon Park, Florida, as Modified", which exhibit is hereby incorporated into this resolution and made a part hereof; and

91 Be It Further Resolved that the attorneys for Petitioner in said cause shall immediately file therein a petition submitting said changes and modifications, attaching thereto a certified copy of this resolution, including said exhibit, which shall constitute the

acceptance in writing by the Petitioner of the plan, as so changed or modified.

The above resolution was seconded by Mr. Will Bennett and upon being put to a vote, was adopted as follows:

Ayes	Nayes
E. W. Hartt	.....
A. McKee Elwell	.....
L. D. McGibboney	.....
R. F. Sappington	.....
Will Bennett	.....

State of Florida,
County of Highlands, ss.

I, R. D. Reddick, do hereby certify that I am the duly qualified and acting City Clerk of the City of Avon Park, Florida, and as such, I am the custodian of all the official records of said City, and that the foregoing resolution, together with Exhibit "A" attached thereto, is a true and correct copy of said resolution adopted at the adjourned meeting of the City Council of said City held in the City Hall at Avon Park, Florida on the 23rd day of February, A. D. 1939, as the same appears of record in my office.

In Witness Whereof, I have hereunto set my hand and affixed the seal of said City this 23rd day of February, A. D. 1939.

(Sgd.) R. D. REDDICK,
City Clerk, City of Avon Park.

(Seal of City of Avon Park.)

92

EXHIBIT "A".

Plan of Composition of the City of Avon Park, Florida, as Modified.

Section 1. Indebtedness of the City of Avon Park proposed to be affected by the provisions of this Refunding Plan comprises (a) all outstanding principal bonded indebtedness; (b) all accrued interest on the bonds proposed to be refunded hereunder to the date of the proposed Refunding Bonds, whether evidenced by matured interest coupons, or otherwise; and (c) bonds and coupons upon which judgments have been obtained against the City of Avon Park, which items are proposed to be refundable as if such judgments had not been obtained. The said indebtedness proposed to be affected hereby is more particularly described as follows:

Date of Issue	Name of Bond Issue	Int. Rate	Principal Amount Outstanding as of 7-1-37 Matured	Unmatured	Total Interest to 7-1-37
6/1/16	Street Bonds	5%	$ None	$28,000.	$9,441.76
11/1/20	Street Bonds	6%	None	16,500.	6,255.00
5/1/22	Street Bonds	6%	None	47,000.	18,560.00
5/1/22	Refunding Bonds	6%	None	10,000.	4,150.00
5/1/22	Park Improvement Bonds	6%	None	5,000.	2,300.00
1/1/24	Street Improvement Bonds	6%	22,000.	None	9,330.00
1/1/25	Street Improvement Bonds	6%	6,000.	None	2,760.00
5/1/25	Improvement Bonds, Issue of 1925	6%	30,000.	158,000.	60,910.00
5/1/25	Refunding Bonds, Issue of 1925	6%	11,000.	27,000.	29,360.00
	(Bonds and interest accruals of the above described 6% issues are proposed to be refunded by Series A Refunding Bonds; and the 5% Street Bonds of 1916 are to be exchanged for Series AA Refunding Bonds).				
12/1/25	Street Improvement Bonds	6%	58,000.	None	24,530.00
10/1/26	General Improvement Bonds	6%	None	323,000.	137,205.00
5/1/27	Street Improvement Bonds	6%	36,000.	None	15,230.00
1/1/29	Refunding Bonds	6%	20,000.	68,000.	38,220.00
	(Bonds and interest accruals of the four issues next above described are proposed to be refunded by Series B Refunding Bonds.)				
			$183,000.	$682,500.	$358,251.76

Total Bonds	$865,500.00
Total Interest	358,251.76
Total Bonds and Interest	$1,223,751.76

93 Section 2. There have been legally authorized and the City of Avon Park proposes to issue general obligation Refunding Bonds of the City containing a pledge of the full faith and credit of the City of Avon Park, said bonds to be in an aggregate principal amount equal to the principal amount of the City of Avon Park bonds outstanding as of July 1, 1937. Refunding Bonds will be deposited in escrow with The First National Bank of Chicago, in the City of Chicago, Illinois, and those prepared for exchange for the outstanding principal indebtedness shall be delivered to the holders of the securities to be refunded in exchange therefor on the basis of par for par. Refunding Bonds to be issued in lieu of and in exchange for the accrued interest liability being refunded shall be issued in accordance with modified Section 9 hereof.

Section 3. Refunding Bonds proposed to be issued will be dated July 1, 1937, mature July 1, 1967, and bear interest, payable semi-annually, at the following rates:

Two per cent. (2%) per annum for a period of two (2) years from the date thereof;

Three per cent. (3%) per annum for the next succeeding six (6) years;

Four per cent. (4%) per annum for the next succeeding seven (7) years;

Five per cent. (5%) per annum thereafter.

Section 4. The Refunding Bonds shall be callable at par upon any interest payment date prior to maturity. If the option to call the Refunding Bonds prior to
94 maturity is used, it shall be exercised in the following manner:

"The Refunding Bonds shall be drawn by lot from all of the then outstanding Refunding Bonds. Notice of redemption, specifying the Refunding Bonds called, shall be filed at the place where the principal and interest of said Refunding Bonds are payable at least thirty (30) days prior to such redemption date. Notice of intention to redeem said Refunding Bonds shall be published once, not more than sixty (60) days, nor less than thirty (30) days prior to the redemption date, in at least two (2) publications, one of which shall be a newspaper having general circulation in Avon Park, Highlands County, Florida, and the other shall be a financial journal published in the City of New York, State of New York."

Section 5. In view of the fact that the City of Avon Park had boundary changes twice during the time it was issuing bonds and in view of the fact that Refunding Bonds can only be issued as continuations and extensions of original obligations, it has been necessary to provide for the issuance of the proposed Refunding Bonds in two major series, namely, "A" and "AA" in one group and "B" in the other group. The original bonds proposed to be refunded by the respective series of Refunding Bonds are indicated in Section 1 hereof.

The above facts have necessitated the creation of separate interest and sinking fund tax levies for the two major series, and, in order that the full scope of these two separate provisions may be known, the applicable sections of the resolution adopted by the City Council of the City of Avon Park authorizing the issuance of the proposed Refunding Bonds are quoted in full as follows:

"That for the purpose of adequately providing for the payment of the interest coupons and for a sinking fund for the retirement of the said Series "A" and Series "AA"

Refunding Bonds herein authorized to be issued, the said City hereby covenants and agrees with the holders of said Refunding Bonds that in the annual budget and ad valorem tax levy to be prepared and made in each of the years 1937 and 1938, there shall be included a levy of a current ad valorem tax on all property within the original area of said City, as defined by Chapter 6,662, Laws of Florida, Acts of 1931, subject to the levy and collection of such tax, sufficient to produce annually the sum of Ten Thousand Dollars ($10,000.00), including and deducting therefrom, at the option of said City, any revenue other than from ad valorem taxes which may be

"available and which shall be actually applied
95 to such purpose; that in the annual budget and ad valorem tax levy to be prepared and made in each of the years 1939 to 1944, both years inclusive, there shall be included a levy of a current ad valorem tax on all property within the said territorial limits of said City as hereinabove in this paragraph identified, subject to the levy and collection of such tax, sufficient to produce annually the sum of Fifteen Thousand Dollars ($15,000.00), including and deducting therefrom, at the option of said City, any revenue other than from ad valorem taxes which may be available and which shall be actually applied to such purpose; that in the annual budget and ad valorem tax levy to be prepared and made in each of the years 1945 to 1951, both years inclusive, there shall be included a levy of a current ad valorem tax on all property within the said territorial limits of said City as hereinabove in this paragraph identified, subject to the levy and collection of such tax, sufficient to produce annually the sum of Twenty Thousand Dollars ($20,000.00), including and deducting therefrom, at the option of said City, any revenue other than from ad valorem taxes which may be available and which shall be actually applied to such purpose; that beginning with the annual budget and tax levy to be made in the year

1952 and continuing each year thereafter until all of said Refunding Bonds, Series "A" and Series "AA", and the interest thereon, have been retired, the annual interest and sinking fund current ad valorem tax levy shall be sufficient to produce not less than $30,000.00, including and deducting therefrom any revenue other than from ad valorem taxes which may be available and which shall be actually applied to such purpose.

"That for the purpose of adequately providing for the payment of the interest coupons and for a sinking fund for the retirement of the said Series "B" Refunding Bonds herein authorized to be issued, the said City hereby covenants and agrees with the holders of said Refunding Bonds that in the annual budget and ad valorem tax levy to be prepared and made in each of the years 1937 and 1938, both years inclusive, there shall be included a levy of a current ad valorem tax on all property within the area of said City as defined by Chapter 10,320, Laws of Florida, Special Acts of 1925, and Chapter 12,514, Laws of Florida, Special Acts of 1927, subject to the levy and collection of such tax, sufficient to produce the annual amount of Thirty Thousand Dollars ($30,000.00), including and deducting therefrom, at the option of said City, any revenue other than from ad valorem taxes which may be available and which shall be actually applied to such purpose; that in the annual budget and ad valorem tax levy to be prepared and made in each of the years 1939 to 1944, both years inclusive, there shall be included a levy of a current ad valorem tax on all property within the said territorial limits of said City as hereinabove in this paragraph identified, subject to the levy and collection of such tax, sufficient to produce annually the sum of Twenty-five Thousand Dollars ($25,000.00), including and deducting therefrom, at the option of said City, any revenue other than from ad valorem taxes which

96 may be available and which shall be actually applied to such purpose; that beginning with the annual budget and tax levy to be made in the year 1945 and continuing each year thereafter until all of said Refunding Bonds, Series "B", and the interest thereon, have been retired, the annual interest and sinking fund ad valorem tax levy shall be sufficient to produce not less than Twenty Thousand Dollars ($20,000.00), including and deducting therefrom any revenue other than from ad valorem taxes which may be available and which shall be actually applied to such purpose.

"All such taxes shall be levied and computed upon the extended and finally equalized valuation of all property within said City as constituted at the time of the issuance of the respective issues of bonds refunded thereby, except only such property as was exempt from taxation under the laws and Constitution of Florida which were in force and effect at the time of the creation of the indebtedness proposed to be refunded hereunder. The taxes so levied shall be in addition to all other taxes levied by or on behalf of said City, and the proceeds thereof are hereby appropriated and shall be used exclusively for the purpose for which the same are levied, and so long as any of said Refunding Bonds are outstanding, the respective annual tax levies shall be increased when necessary to provide sufficient funds for the actual interest and principal or sinking fund requirements of the year next succeeding that in which the budget is being made and prepared."

A provision is also included that, in case of failure or refusal of the City of Avon Park to perform any agreements or obligations to the holders of the said Refunding Bonds, or upon default in the payment of interest, the said City of Avon Park shall be accorded a period of six

(6) months within which to correct the same, and, upon its inability or refusal to do so within that period and upon the declaration in writing filed with said City of Avon Park by the holders of at least twenty-five per cent. (25%) in principal amount of the Refunding Bonds then outstanding, all of said bonds shall, at the option of the respective holders, revert to the original interest rate of the securities exchanged therefor, such reversion being effective from the date to which interest had been paid on the Refunding Bonds prior to the date of filing of the declaration of intention to exercise such option.

97 Section 6. Provision is made that, each six months after interest then due has been paid on said Refunding Bonds and due allowance has been made for interest requirements due six months thereafter, making reasonable allowance for anticipated receipts, any surplus funds shall be used by the City of Avon Park for the purpose of purchasing for cancellation Refunding Bonds of the issue contemplated by the plan, which purchases shall be made in the following manner:

The City Council of the City of Avon Park shall designate a date, not less than thirty (30) nor more than forty-five (45) days from the time such date is designated, at which time the City Council will receive and consider in open session sealed offerings of said Refunding Bonds. The City Council shall give written notice of this date to any bondholders so requesting in writing. Notice of the time and place of receiving offerings shall be published once, not less than fifteen (15) days before the designated time, in at least two (2) publications, one of which shall be a newspaper having general circulation in the City of Avon Park, Highlands County, Florida, and the other shall be a financial journal published in

the City of New York. All of the surplus funds available, as provided under the plan, shall be used to purchase bonds at the lowest offered price. If, however, the City Council shall be dissatisfied with any or all offers received, it shall have the option to reject any or all such offers, and, within thirty-one (31) days thereafter, readvertise for additional sealed offerings and purchase the bonds so readvertised for at the lowest offered prices to the extent of absorbing all funds available. It is further provided that, after each such advertised purchase, the City Council may privately purchase additional bonds with subsequent surplus accumulations, as long as private purchases may be made on such basis as to assure a higher income yield than the highest yield calculated on bonds purchased pursuant to advertisement.

Section 7. The Fiscal Agent has agreed with the City of Avon Park to defray all expenses involved in the following steps incident to the refunding:

1. Assembling the bonds proposed to be refunded;

2. Printing the Refunding Bonds;

3. Representing the City in legal proceedings to validate said Refunding Bonds;

98 4. Obtaining approving opinion of nationally recognized bond counsel upon the issuance and validation of Refunding Bonds, said counsel to be selected by said Fiscal Agent.

5. All other expenses in connection with the refunding which may be approved by said Fiscal Agent.

It is also provided in the plan that the City of Avon Park will retain counsel to represent it until the re-

funding proceedings have been completed, and the Fiscal Agent has agreed to indemnify the City of Avon Park for its costs in this connection, the total thereof to be in an amount to be agreed upon between the City and the Fiscal Agent.

Section 8. The plan provides that the Fiscal Agent shall be compensated for its services and reimbursed for its costs incident to the refunding of the outstanding indebtedness of the City of Avon Park by assessing charges against the participating bondholders, the amount of such charges to be a matter between the Fiscal Agent and the bondholders participating in the plan. The charge has been set at $40.00 per $1,000.00 bond tendered for exchange, or ratable portion thereof in the case of bonds of less than $1,000.00 denomination.

Section 9. (A) Provision is made that all taxes levied by the City for the years 1937, and subsequent, shall be payable in legal tender only. The City intends to adjust the amounts due on account of delinquent taxes for the years 1936, and prior, and special assessment liens, and interest thereon, in a manner which is designed to result in collection of the reasonable maximum equity therein.

(B) As a part of said plan it is provided that evidences of all interest accrued to July 1, 1937, shall be deposited in escrow with The First National Bank of Chicago, Illinois, or such other escrow agent as may be approved by the Federal Judge having jurisdiction of the cause of which this plan is a part, against which Escrow the said Escrow Agent shall issue certificates of deposit in the names of the owners of the equity thereof, said certificates to identify the amount of interest accruals evidenced thereby.

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The certificates of deposit so issued by the Escrow Agent shall be in assignable form, subject to the right of transfer and assignment at the expense of the particular certificate holders seeking to make such transfer and assignment, but said certificate shall not be negotiable. The said Escrow shall be maintained until two years after the date of first exchange of refunding bonds under this plan. At the expiration of that period the said Escrow shall be considered closed.

The proceeds of the collection of said adjusted taxes or special assessment liens and interest thereon, as set forth in (A) of this section, as available, shall be remitted to the Escrow Agent and,

(a) As to said particular proceeds remitted to the said Escrow Agent during the first six months immediately following the date of first exchange of refunding bonds under this plan, the said Escrow Agent shall reduce the amount owed by the said City under the Escrow by such amount as will result in said particular proceeds constituting a pro tanto payment and discharge at fifty per cent. (50%) of par.

(b) As to said particular proceeds remitted to the said Escrow Agent during the next succeeding six months the said Escrow Agent shall reduce the amount owed by the said City under the Escrow by such amount as will result in said particular proceeds constituting a pro tanto payment and discharge at sixty per cent. (60%) of par.

(c) As to said particular proceeds remitted to the said Escrow Agent during the next succeeding six months the said Escrow Agent shall reduce the amount owed by the said City under the Escrow by such amount as will result in said particular proceeds constituting a pro

tanto payment and discharge at seventy per cent. (70%) of par.

(d) As to said particular proceeds remitted to the said Escrow Agent during the next succeeding six (6) months, the said Escrow Agent shall reduce the amount owed by the said City under the Escrow by such amount as will result in said particular proceeds constituting a pro tanto payment and discharge at seventy-five per cent. (75%) of par.

All of said money so received by the Escrow Agent shall be held by it until the Escrow has been closed. At that time the moneys available shall be pro rated among the owners of outstanding certificates representing an interest in said Escrow and said funds shall be paid by said Escrow Agent to said certificate holders with proper and reasonable deduction being made by the said Escrow Agent for services in handling the Escrow. The owner of any such certificate may sell and assign his equity therein direct to the City at a price of less than fifty per cent. (50%) of the amount represented thereby during the first six months period; at a price of less than sixty per cent. (60%) of the amount represented thereby during the next succeeding six months period; at a price of less than seventy per cent. (70%) of the amount represented thereby during the next succeeding six months period; and at a price of less than seventy-five per cent. (75%) of the amount represented thereby during the next succeeding six months period. The City may, upon the delivery of any such assigned certificate to the Escrow Agent and upon payment of the escrow charges, effect a reduction of the amount owed under the Escrow by the amount represented by any such certificate of deposit so assigned and delivered and any certificates so delivered shall be canceled and the items repre-

sented thereby shall be canceled and sent to the City in due course of business.

Immediately after the Escrow has been closed, the Escrow Agent shall (1) balance the said escrow account; (2) determine the pro rata interest therein of the owners of the respective certificates of deposit then outstanding; (3) apply in pro rata payments the sums received from the City, as hereinabove provided for, each dollar, or ratable portion thereof, having the effect of discharging pro rata portions of the amount escrowed in the percentages set forth above; (4) notify the City (a) of the gross amount still represented by the Escrow after such pro rata applications have been made and (b) of the escrowed amounts still represented by the individual certificates. The City shall then immediately take all steps necessary to validate its Refunding Bonds in an amount equal to the said remaining balance represented by the Escrow; and, upon the issuance of such refunding bonds, the same shall be transmitted to the said Escrow Agent for delivery by it to the owners of the certificates of deposit so remaining outstanding. At delivery, provision shall be made for the payment of interest then due on said Refunding Bonds. Said Refunding Bonds so to be delivered shall bear date of July 1, 1937; mature July 1, 1967; be in the same form and contain covenants as if they were a part of the issue of Refunding Bonds dated July 1, 1937; bear interest at the identical rates specified to be paid on the said Refunding Bonds of 1937; be in such denominations as shall be necessary to permit delivery of bonds to the respective certificate holders in multiples of $1,000.00, with odd-amount bonds provided for any balances less than $1,000.00 due any particular certificate holder. The certificates shall be surrendered to the Escrow Agent upon delivery of the said Refunding Bonds; and said certificates, as well as all of the evidences of accrued interest represented by the said certificates, shall thereupon be

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canceled, and the said evidence of accrued interest shall be sent to the City.

Provided, however, that in lieu of taking the certificates of deposit, and at the end of the escrow period, the Refunding Bonds represented thereby, as hereinabove provided, any holder may, at his option, which shall be exercised by declaration in writing on or before 10 days after the issuance of the said certificates of deposit, receive from the Fiscal Agent, R. E. Crummer & Company, in lieu of said certificates, an amount of money equal to the sum which would be payable if the interest accruals to July 1, 1937, had evidenced interest at the rate of two per cent. (2%) per anunm, and the exchange charge had been $20.00 per $1,000.00 bond tendered for exchange, or ratable portion thereof in the case of bonds of less than $1,000.00 denomination; and, in such event, such certificates of deposit shall be issued or assigned to R. E. Crummer & Company, who shall hold the same in like manner as other holders and receive the Refunding Bonds to be issued therefor.

Dated this 23rd day of February, 1939.

CITY OF AVON PARK, FLORIDA.

Order Permitting Filing of Modified Plan of Composition, and Finding the Same is not adverse to the Interests of Creditors was filed Feb. 28, 1939; copy of said order being as follows:

ORDER PERMITTING FILING OF MODIFIED PLAN OF COMPOSITION, AND FINDING THE SAME IS NOT ADVERSE TO THE INTERESTS OF CREDITORS.

(Title Omitted.)

This cause coming on ex parte for further hearing this day on the petition of the City of Avon Park,

Florida, submitting certain changes and modifications in the refunding plan heretofore filed in these proceedings dated April 23, 1938, and praying for an order permitting the filing of said changes and modifications, and adjudging that the plan of refunding, or composition, now involved in these proceedings is the plan of April 23, 1938, and so changed and modified, and finding and adjudging that in the opinion of the Court the said changes and modifications are not materially adverse to the interests of any creditor affected by said plan, and that therefore no notice is necessary; and the Court having considered said motion and heard counsel for the petitioner, and being advised in the premises, is of the opinion that said changes and modifications in the plan of composition dated April 23, 1938, are not materially adverse to the interests of any creditor affected by said plan, for the reason that it appears from said plan as modified, that in addition to the provisions contained in Section 9 of the original plan, giving the Fiscal Agent the right to purchase, at the time of the exchange of refunding bonds for outstanding bonds, all accrued interest on outstanding bonds to July 1, 1937, at the equivalent of a sum of money which would be payable if said accruals evidenced interest at two per cent (2%) per annum, such interest accruals to be held by the Fiscal Agent subject
104 to the order of the City of Avon Park at prices and for the periods in said original plan of composition set out, the creditor is given the option to retain his interest accruals to July 1, 1937, on his outstanding bonds, to be represented by certificates of deposit to be escrowed with the First National Bank of Chicago, or some other bank; and by exercising the said option as is provided in Section 9 (B) of the plan of composition as modified, said creditor may either sell said certificates to the City of Avon Park at prices less than the schedule in said plan set out to be paid the Fiscal Agent for such certificates of deposit, or, in lieu thereof,

he may receive new refunding bonds for said certificates of deposit, less his portion of the expenses of the escrow and the refunding charges,—said refunding bonds to be in all respects identical with the refunding bonds authorized by the plan for the refunding of principal of outstanding bonds of said City of Avon Park;

It Is Thereupon Ordered and Adjudged that petitioner be permitted to file its modified plan as the same is set forth in Exhibit 1 to the petition this day filed herein, and that the plan of composition or refunding now involved in these proceedings is the plan of April 23, 1938, as so changed and modified.

It Is Further Ordered and Adjudged that the said plan as so changed and modified is not materially adverse to the interests of any creditor affected by said plan, and that no notice of the filing thereof is necessary.

Done and Ordered in Chambers at Tampa, Florida, this 28th day of February, A. D. 1939.

ALEXANDER AKERMAN,
Judge of Said Court.

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105 On March 31, 1939, testimony in question and answer form was filed, said testimony being in words and form as follows. Exhibits have been omitted.

HEARING BEFORE SPECIAL MASTER.

106 (Title Omitted.)

This being the day appointed by the Special Master for the hearing, pursuant to an Order made by the Court

in the above entitled cause on the 31st day of October, A. D. 1938, of which meeting due notice was given by more than ten (10) days due notice by mail to all known creditors of the municipal debtor named in the petition, at the respective addresses of each of such creditors, I, the Special Master, do hereby certify that I sat at the time and place mentioned in said notice and order, to-wit, at Rooms 225-6 Beymer Building, in the City of Winter Haven, Florida, on the 16th day of March, A. D. 1939, at ten o'clock in the forenoon, for the purpose of classifying claims, taking testimony, etc. and other proper business that might come before the hearing.

The following appearances were noted at said hearing, viz:

Allen E. Walker, Special Master,

Henry L. Jollay and T. A. McNicholas, Attorneys for Petitioner, City of Avon Park, Florida.

R. D. Reddick, City Clerk of Avon Park, Florida.

D. F. Canfield, Auditor of the City of Avon Park, Florida.

W. John Phillips and Harry L. Thompson, of the firm of Phillips & Thompson, Attorneys, representing Lawrence W. Rittenoure.

H. C. Crittenden, Attorney, representing Roger W. Babson.

107 Giles J. Patterson, Attorney, representing William E. Sweet and United Mutual Life Insurance Company.

The following claims were submitted as claims on general bonds of the City of Avon Park, Florida and are hereby allowed and classified as being in one class, payable without preference from the same general sources, viz., ad valorem taxes.

Claim No.	Creditor and Address	Aggregate Prin. Amt.	Interest Accrued to 7-1-37
1.	Mrs. Rose K. Raithel, 60 Kingsbury Place, St. Louis, Mo.	$2,000	$ 900.00
2.	Board of County Commissioners, Highlands County, Sebring, Fla.	4,000	.....
3.	Smith Brothers, Clay Center, Kansas	5,000	2,100.00
4.	Florida Municipal Bondholders' Protective Committee, Room 406 Hildebrandt Bldg., Jacksonville, Fla.	51,500	20,270.83
5.	Thomas M. Cook & Company, West Palm Beach, Fla.	23,000	715.00
6.	J. O. Adams, 400 Roosevelt Bldg., Los Angeles, Calif.	3,000	1,305.00
7.	Charles H. Albers, Receiver Northwestern Trust & Savings Bank, 7 So. Dearborn St., Chicago, Ill.	5,000	.....
8.	Harry F. Berls, 1727¾ N. Sycamore Ave., Los Angeles, Calif...	20,000	.....
9.	P. M. Boyd, 215 E. Duval St., Jacksonville, Fla.	4,000	.....
10.	Brown-Crummer Investment Co., Room 800 First Natl. Bank Bldg., Chicago, Ill.	3,000	1,305.00
11.	R. B. Bryan, Route #2, Madison Fla.	3,000	.....
12.	Johanna Calmer by Warren J. Bleyaert, Agent, 220 W. Sixth St., Monroe, Mich.	2,000	910.00